



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

<http://finance.senate.gov>

MEMORANDUM

To: Reporters and Editors
Re: Medicaid lacks oversight
Da: Thursday, Jan. 30, 2003

Sen. Chuck Grassley, chairman of the Committee on Finance, today made the following statement in response to the General Accounting Office management study on “high risk” agencies in the executive branch. While Medicare has been on the list since 1991, Medicaid is on the list for the first time for the lack of proper program oversight. The GAO report is “Major Management Challenges and Program Risks: Department of Health and Human Services (GAO-03-101),” available at www.gao.gov.

“I’m concerned that for the first time the GAO has added the Medicaid program to its list of high risk programs for 2003. While we’re used to seeing Medicare on the list, Medicaid provides access to health care and serves as the safety net for more than 44 million low-income Americans. This is especially troubling.

“The program’s complex financing structure and the problematic nature of some Medicaid waivers are issues that I’ve often raised in the past, and I agree with the GAO’s conclusion that we need more intense oversight of Medicaid.

“As chairman, I’m concerned about Medicaid’s viability, in the short and long terms. I’m pleased the GAO has flagged these issues, and as we think about ways to improve Medicaid, I look forward to working with my colleagues and the administration to address these concerns.”